

Exit Loan Counseling

Presented by
Office of Financial Aid
2017/2018 Academic Year



Agenda

- What To Expect
- Things To Do
- Rights and Responsibilities
- Loan Repayment Options
- Delinquency & Default



Things To Do

FEDERAL STUDENT LOANS

- Complete the mandatory [Exit Counseling](#) online
- Review your student loan history on the [National Student Loan Data System](#) (NSLDS)
- Create an account with your [loan servicer\(s\)](#) (found through NSLDS)
- Review [repayment options](#)
- Read the [Repayment Checklist](#) from the Department of Education

ALTERNATIVE LOANS

- Contact each private lender
- Review your [credit report](#) if you are unsure who the lender is



Things To Do...

HEALTH PROFESSIONAL STUDENT LOANS

- Primary Care Loan (PCL)
- Loan for Disadvantage Student (LDS)
- Health Professions Student Loan (HPSL)
- Nursing Loan Programs (NSL)
 - Review your account on [ECSI](#)
 - Review [finaid.org](#) for estimated repayment amounts (this is a generic loan calculator so you will need to enter your personal loan history)

Financial Literacy

- Review information on financial planning and budgeting.



Your Rights

RECEIVE THE FOLLOWING:

- Copy of your signed Master Promissory Note
- Disclosure Statement
- Six-month grace period
- Prepay all or part of your loan without penalty
- If eligible, deferments & forbearance
- Written notice if your loan is transferred
- Proof of discharge after repaying loan in full



Your Responsibilities

- Choose a plan during grace period
- Repay your loan(s)
- Make on-time monthly payments
- Protect your FICO score
- Read correspondence from loan servicer
- Notify loan servicer of changes within 10 days
- Contact your [loan servicer](#) for help



Average Indebtedness

Select your program below. Once on that page, go to the bottom of the screen. There you will find the average indebtedness for the last four years of your program.

[Doctor of Dental Medicine \(DMD\)](#)

[Doctor of Optometry \(OD\)](#)

[Doctor of Osteopathic Medicine \(DO\)](#)

[Doctor of Osteopathic Medicine \(DO\) \(COMP-Northwest\)](#)

[Doctor of Pharmacy \(PharmD\)](#)

[Doctor of Pharmacy – International \(PharmD\)](#)

[Doctor of Physical Therapy \(DPT\)](#)

[Doctor of Physical Therapy Advance \(DPT\)](#)

[Doctor of Podiatric Medicine \(DPM\)](#)

[Doctor of Veterinary Medicine \(DVM\)](#)

[Master of Science in Physician Assistant Studies\(MSPAS\)](#)

[Master of Science in Pharmaceutical Sciences \(MSPS\)](#)

[Master of Science in Biomedical Sciences \(MSBS\)](#)

[Master of Science in Health Sciences \(MSHS\)](#)

[Master of Science in Medical Sciences \(MSMS\)](#)

[Nursing Practice \(DNP\)](#)

[Family Nurse Practitioner \(FNP\)](#)

[Master of Science in Nursing \(ADN-MSN\)](#)

[Master of Science in Nursing \(BSN-MSN\)](#)

[Master of Science in Nursing/Entry \(MSN-E\)](#)

[Master of Science in Nursing/Family Nurse Practitioner \(MSN/FNP\)](#)



Repayment Plans

Six month Grace Period is a set period of time before you must begin repayment on your loan.

10

Standard Repayment

- Shortest time and pay the least amount of *interest* over the life of your loan. Payments are fixed.

Graduated Repayment

- Payments begin low then increases...

25

Extended Repayment

- Lower monthly payments over a longer period of time.
- You will pay more over time than under the 10-year Standard Plan.



Income Driven Repayment Plans

- Designed to make your student loan debt more manageable by reducing your monthly payment amount.



Estimate Your Payments

Federal Student Aid Loan Calculator

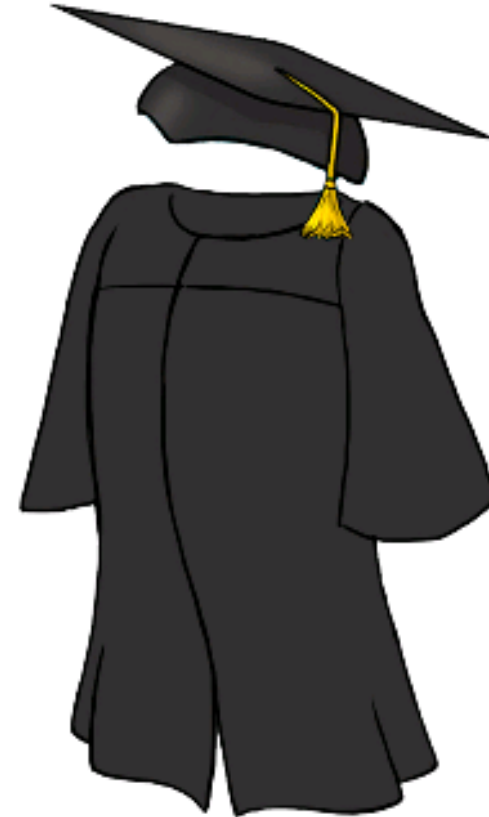
1. **Login**: Use your FSA ID Username or Email Address and FSA ID Password
 - Once you login to the site you will see your total federal loans.

A screenshot of the StudentLoans.gov website. The header includes the "Federal Student Aid" logo (An OFFICE of the U.S. DEPARTMENT of EDUCATION), the "StudentLoans.gov" logo, "Log In" and "Español" links, and a "MENU" icon. The main heading is "REPAYMENT ESTIMATOR". On the left, there is a vertical navigation menu with three items: "Repayment Plans", "Estimate Your Payments", and "Next Steps", each with a circular icon. The main content area is a light gray box containing the text "You're currently not logged in!" and "You must log in to complete and submit federal student loan processes." A blue "LOG IN" button is positioned on the right side of this box.



Example

- **Borrower:**
 - Single
 - No dependents
 - Salary of \$85,000
 - Lives in California
 - Avg. debt of \$227,000
 - At 6.5% interest rate





10 and 25 Year Plans

Repayment Plan	Number of Months	Estimated First Monthly Payment	Estimated Total Amount Paid
Standard	120	\$2,578	\$309,305
Graduated	120	\$1,482	\$331,750
Extended Fixed	300	\$1,533	\$459,816
Extended Graduated	300	\$1,230	\$498,929




Income Driven Repayment Plans

Repayment Plan (Programs have loan forgiveness)	Number of Months	Estimated First Monthly Payment	Estimated Total Amount Paid
Revised Pay As You Earn (REPAYE)	300	\$558	\$344,793
Pay As You Earn (PAYE)	240	\$558	\$235,393
Income-Based Repayment (IBR)	300	\$836	\$506,289
IBR for New Borrowers	240	\$558	\$235,393



Public Service Loan Forgiveness

- Forgives remaining balance after 120 qualifying monthly payments.
- Payments must be under qualifying repayment plan while working full-time for a qualifying employer.
- For more information, please click [here](#).



**Deferment
& Forbearance**
Both Pause Your Payment

**Only Deferment
Can Pause
your Interest**



Deferment and Forbearance

Deferment: A period where repayment of the principal and interest of loan is delayed.

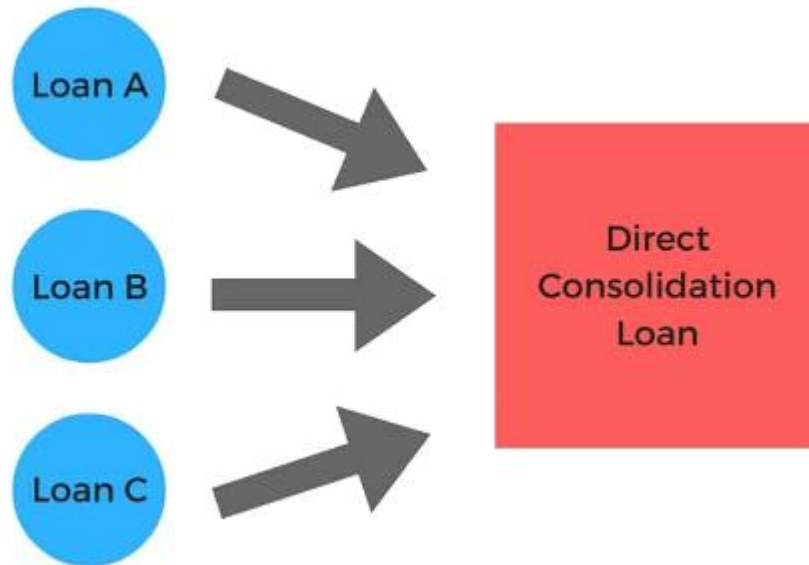
Forbearance: maybe granted if:

- You are unable to make scheduled payments
- Do not qualify for deferment
- Allow either reduce monthly payment or stop for up to 12 months
- Interest continues to accrue on all loans



Loan Consolidation

Direct Consolidation combines multiple federal loans into one



- New rate is based on weighted average
- Loss of grace period
- No cost to consolidate



Loan Consolidation

Eligible Loans

- Federal Family Education Loan (FFELP)
- William D. Ford Direct Loan (DL)
- Perkins
- Health Professions Student Loan (HPSL)
- Loans for Disadvantaged Students (LDS)
- Nursing Student Loans (NSL)



Loan Cancellation

- Borrower's total and permanent disability, or death
- Closed school
- False loan certification (identity theft)
- School failed to return loan funds to servicer
- Contact your [loan servicer\(s\)](#) to apply





Delinquency & Default

- Payments received one day late is considered delinquent
- Delinquent payments are reported to credit bureaus
- School failed to return loan funds to servicer
- Contact [loan servicer\(s\)](#) for help



Consequences of Default

- Full amount of loan is due
- Deferment and forbearance options eliminated
- Loss of eligibility for future financial aid
- Professional licenses revoked
- Loss of eligibility for some federal or state jobs
- Wage garnishment
- Tax refunds revoked



Resources

- [Department of ED – Loan Servicers](#)
- [Heartland ECSI](#)
- [Federal Student Aid](#)
- [Financing a Healthy Future](#)
- [Federal Student Loans](#)
- [Student Loan Borrower Assistance](#)



Thank You for Listening!

- ❑ Sign and submit the **REQUIRED** Exit Loan Confirmation Form
 - This form will be sent to you via email.
- ❑ Additional Questions? Email - finaid@westernu.edu

